

Message Text

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73

ACTION EB-07

INFO OCT-01 EA-10 IO-10 ISO-00 FEA-01 AGR-10 CEA-01

CIAE-00 COME-00 DODE-00 FRB-01 H-02 INR-07 INT-05

L-02 LAB-04 NSAE-00 NSC-05 PA-02 AID-05 CIEP-02 SS-15

STR-04 TAR-01 TRSE-00 USIA-15 PRS-01 SP-02 OMB-01

/114 W

----- 089079

R 171740Z MAR 75

FM USMISSION GENEVA

TO SECSTATE WASHDC 1427

INFO AMEMBASSY CANBERRA

UNCLAS GENEVA 1826

E.O. 11652: N/A

TAGS: GATT, ETRD, AS

SUBJECT: AUSTRALIAN GATT ART. XIX NOTIFICATION ON TEXTILES

REF: (A) GENEVA 1697; (B) CANBERRA 1496

1. AUSTRALIAN GATT NOTIFICATION OF ART. XIX ACTION ON TEXTILES HAS NOW BEEN CIRCULATED. ITEMS CITED ARE THOSE MENTIONED IN REF (B), PARA 5.

2. ACTION REQUIRED: REQUEST THAT INSTRUCTIONS FOR MARCH 24 GATT COUNCIL INDICATE WHETHER U.S. WISHES ACCEPT AUSTRALIAN OFFER CONSULT, PER LAST PARA OF TEXT BELOW.

3. FULL TEXT IS FOLLOWING:

THE AUSTRALIAN GOVERNMENT WISHES TO ADVISE THE CONTRACTING PARTIES, IN ACCORDANCE WITH ARTICLE XIX OF THE GATT, THAT IT HAS DECIDED TO INTRODUCE INCREASED DUTIES ON SOME IMPORTS OF THE FOLLOWING ITEMS OF APPAREL:

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(A) EX 60.05.100- COSTUMES AND ROBES CONTAINING

WOOL, SILK OR MAN-MADE FIBRES,

(B) EX 61.02.110 - COSTUMES AND ROBES CONTAINING
WOOL AND EXCEEDING 56 CM. IN LENGTH (EXCEPT
FOR INFANTS IN ARMS, PARTS AND FABRIC SHAPED
FOR MAKING GARMENTS).

IMPORTS AT NON-DISRUPTIVE LEVELS WILL BE ADMITTED AT
PRE-EXISTING RATES OF DUTY. IMPORTS OF THE ABOVE ITEMS
IN EXCESS OF SUCH LEVELS WILL INCUR ADDITIONAL DUTIES
IN EXCESS OF SUCH LEVELS WILL INCUR ADDITIONAL DUTIES
AT THE RATE OF \$A 12 PER KG. THE NEW DUTY ARRANGEMENTS
APPLY TO IMPORT CLEARANCES ON AND AFTER 1 MARCH 1975.
THESE ARRANGEMENTS INVOLVE THE TEMPORARY SUSPENSION IN
PART OF MAXIMUM TARIFF RATES BOUND TO FRANCE AS
INITIAL NEGOTIATOR, IN ORDER TO REMEDY SERIOUS INJURY
TO DOMESTIC PRODUCERS CAUSED BY A DISRUPTIVE SURGE IN
IMPORTS.

THE DECISION TO INTRODUCE THESE ARRANGEMENTS WAS TAKEN
IN THE LIGHT OF A REPORT BY THE TEXTILES AUTHORITY
WITHIN THE AUSTRALIAN INDUSTRIES ASSISTANCE COMMISSION.
FOLLOWING A PUBLIC INQUIRY AT WHICH EVIDENCE WAS PRE-
SENTED BY ALL INTERESTED PARTIES, THE TEXTILES
AUTHORITY REPORTED THAT IN RESPECT, INTER ALIA, OF
THE APPAREL ITEMS UNDER REFERENCE THERE HAD DEVELOPED
A RAPID BUILD-UP OF SUPPLIES, A SLOWING DOWN IN CONSUMER
DEMAND FOR CLOTHING AND ABNORMALLY HIGH STOCK LEVELS.
THE AUTHORITY'S FINDING WAS THAT IMPORTS OF THE GOODS
UNDER REFERENCE WERE CAUSING MARKET DISRUPTION.

OVERALL, IMPORTS INTO AUSTRALIA OF CLOTHING INCREASED
IN VOLUME TERMS BY APPROXIMATELY 70 PERCENT IN 1973-74
AND BY MORE THAN 120 PER CENT IN THE FIRST QUARTER OF
1974-75 COMPARED WITH THE CORRESPONDING PERIOD OF
1973-74. TOTAL IMPORTS CLEARED FOR HOME CONSUMPTION
OF THE TWO BOUND ITEMS REFERRED TO ABOVE WERE AS
FOLLOWS ('000 UNITS):

1972/73 1973/74 7 MONTHS 7 MONTHS

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ENDING ENDING
JAN. 74 JAN. 75

EX 60.05.100	823	1,271	550	1,273
EX 61.02.110	8	19	5	14

DESPITE THE INTRODUCTION OF NEW AND SUBSTANTIAL ADJUSTMENT
ASSISTANCE, RESTRUCTURING AND RETRAINING PROGRAMMES,

OFFICIAL EMPLOYMENT STATISTICS INDICATE THAT UNEMPLOYMENT
IN THE AUSTRALIAN TEXTILES AND APPAREL INDUSTRY IS AT
RECORD HIGH LEVELS.

THE NEW DUY ARRANGEMENTS ARE SHORT-TERM MEASURES OF
ASSISTANCE TO THE LOCAL INDUSTRY PENDING RECEIPT IN 1976
OF A REPORT BY THE INDUSTRIES ASSISTANCE COMMISSION ON
THE LONG-TERM PROTECTIVE REQUIREMENTS OF THE AUSTRALIAN
CLOTHING INDUSTRY. THE AUSTRALIAN GOVERNMENT HAS
STATED PUBLICLY THAT ANY FUTURE INVESTMENT DECISIONS BY
LOCAL MANUFACTURERS SHOULD NOT BE BASED ON THE ASSUMPTION
THAT THE LEVELS OF ASSISTANCE PROVIDED BY THESE
TEMPORARY ARRANGEMENTS WILL CONTINUE IN THE LONGER TERM.

THE AUSTRALIAN GOVERNMENT IS READY TO ENTER INTO ARTICLE
XIX CONSULTATIONS WITH ANY CONTRACTING PARTY HAVING A
SUBSTANTIAL INTEREST IN THE EXPORT TO AUSTRALIA OF THE TWO
APPAREL ITEMS NOTIFIED ABOVE. UNQUOTE

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Message Attributes

Automatic Decaptioning: X
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Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
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Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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